IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.172 OF 1998

The Commissioner of Income-tax,
K-I, Bangalore .. Applicant.
V/s.
M/s.Automobile Corpn. of Goa Ltd.
Honda, Sattari, Goa .. Respondent.

Mr.Suresh Kumar for the applicant.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 11TH OCTOBER, 2005.

P.C. :

1. Heard the learned counsel for the applicant. The Tribunal has referred following question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was right in law in upholding the view that the amount of central subsidy received by the assessee should not be excluded from the cost of the assets for the purpose of allowing depreciation and investment allowance ?

2. The above question has already been answered by the Apex Court in the case of **CIT V/s. P.J. Chemicals Ltd. [(1994) 210 ITR 830]** in favour of the assessee and against the revenue. In this view of the matter, question stands answered in affirmative for the reasons stated in the case of P.J. Chemicals Ltd. Reference, accordingly stands disposed of with no order as to costs.

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